April 20, 2021

The Honorable Richard Neal Chairman, House Ways and Means Committee United States House of Representatives 1102 Longworth House Office Building Washington, DC 20515

The Honorable Kevin Brady Ranking Member, House Ways and Means Committee United States House of Representatives 1102 Longworth House Office Building Washington, DC 20515

Dear Chairperson Neal, Ranking Member Brady, and Members of the Committee:

The Center for Public Justice is a Christian policy research and civic education organization. We have been devoted to upholding family well-being since our founding over forty years ago. In the last three years, a prominent focus of our work has been researching the intersection of work and family life, and then equipping faith-based employers on best practices for their organizational policies and practices accordingly.

The Christian tradition sees both family life and work as two God-given areas of blessing and responsibility. Families have been crucial sources of care and resilience during the COVID-19 pandemic. But shouldering this responsibility has sometimes come at the cost of jobs and health. Approximately half of parents with children at home say that pandemic-related stress has negatively impacted their mental health. Some 40 percent of parents living with a child under the age of six experienced job loss or loss of work income during the first six months of the pandemic. Heightened caregiving responsibilities drove a significant portion of this job loss. In an October 2020 survey, nearly 20 percent of adults said they left the workforce during the pandemic because of heightened caregiving responsibilities for a child or other family member. Heightened caregiving responsibilities for a child or other family member.

Families have exhausted savings, deferred bills, and taken on debt to remain financially afloat during the pandemic. Many Americans are eager to return to work to re-establish family economic stability. Family income-earners should be able to return to work on terms that are safe and family-supportive.

Because of the enduring, foundational role that families play in our society and the particular stresses revealed during the COVID-19 pandemic, it is time for our nation to develop a system of paid leave that allows for illness, recovery, and family caregiving. There are many ways to design such a policy. The Center for Public Justice proposes the following principles to inform policy design and implementation for paid family leave.

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- 1. Respect the dignity of all workers. Each worker has inherent dignity and worth from God (Genesis 1:27; The Parable of the Vineyard, Matthew 20:1-16). Therefore, each worker should be treated in a way that enables and protects family time for both men and women and for workers of all job types and status. Currently, however, many workers lack access to benefits that would enable time off from work for family care. Only 19 percent of all civilian workers have access to paid family leave. Of the lowest income-quartile of wage earners, only about half have access to any form of paid sick leave or paid vacations. Only nine percent of these workers have access to paid family leave. In paid to the lowest income.
- **2. Honor caregiving.** Family caregiving—be it for a new child or an ailing or aging family member—is worthy work that should be recognized and supported. Every worker will be called upon to care for family at some point (Ecclesiastes 3:1-2). Nearly three of every four workers currently have a caregiving responsibility. These caregivers have an inherent worth to family well-being and are important for a thriving society. About 40 million Americans provide 37 billion hours of unpaid care (totaling \$470 billion in unpaid contributions) to adults with limitations in daily activities each year. Vi
- **3. Provide practical support.** Assistance to workers should effectively (Zechariah 7:9) enable family caregiving at crucial life inflection points. Too small a benefit may not provide enough support to enable families to take time off, especially prohibiting low-income families from honoring family responsibilities. Workers without job protection may not be able to utilize a paid family leave benefit either.
- 4. Address systemic challenges. The administration of family leave policy should address barriers to family stability for households with low income or without the advantage of family wealth. In the absence of strong paid leave benefits, many households need to utilize household savings or family wealth. But some households lack this financial buffer. These systemic challenges also impact racial equity. In 2016, the median wealth of white households was \$171,000—ten times the wealth of black households (\$17,100) and eight times that of Hispanic households (\$20,600).vii Low wealth levels for these families creates financial pressure to substitute work for crucial family care.
- 5. Support economic vitality. Public policy should support healthy businesses and nonprofit enterprises (The Parable of the Talents, Matthew 25:14-30). There should be a special emphasis on preserving nonprofit, religious, and small business organizations' ability to flourish in providing family-supports and share in paid leave's economic benefits. Emerging paid family leave programs from major companies signal how valuable these programs may be to families and organizations alike. Yet, many employers say that cost is a major obstacle to offering paid family leave benefits. Viii A national system of paid family leave would help address some of the barriers small employers face



in offering paid leave benefits, and a well-designed program would do so without crowding out existing workplace benefits.

Families require protected time together, particularly during seasons and events of critical family care. In order to have a vibrant, pluralist economy of workplaces, employers need support in helping families have protected time together. Our desire to see our nation—and all families that make up our nation—flourish moves us to support a principled paid family leave policy.

If you would like to discuss this further, please contact Rachel Anderson, Director of the Families Valued program at the Center for Public Justice, <a href="mailto:Rachel.Anderson@CPJustice.org">Rachel.Anderson@CPJustice.org</a>.

Thank you for your leadership and support for our nation's families and workplaces.

Stephanie Summers CEO, Center for Public Justice

Rachel Anderson Director, Families Valued Resident Fellow, Center for Public Justice

<sup>&</sup>lt;sup>1</sup> Nirmita Panchal, et al. "<u>The Implications of COVID-19 for Mental Health and Substance Abuse</u>," KFF, August 21, 2020

ii Elaine Waxman, Poonam Gupta, Dulce Gonzalez, "Six Months into the Pandemic, 40 Percent of Parents of Young Children Have Experienced Economic Fallout," Urban Institute, December 2020.

iii Morning Consult, "The Impact of COVID-19 on the Workforce," October 2020.

iv Bureau of Labor Statistics, "Table 31. Leave benefits: Access, civilian workers, March 2019," 2019.

<sup>&</sup>lt;sup>v</sup> Fuller, Joseph, B., & Raman, Manjari. *The caring company: How employers can help employees manage their caregiving responsibilities while reducing costs and increasing productivity.* Harvard Business School, Managing the Future of Work, 2019.

vi Reinhard, Susan C., et al. Valuing the invaluable: 2015 update. AARP Public Policy Institute, 2015.

vii Dettling, Lisa J., et al. "Recent Trends in Wealth-Holding by Race and Ethnicity: Evidence from the Survey of Consumer Finances," Board of Governors of the Federal Reserve System, 2017.

viii Matos, K., Galinsky, E., and Bond, J., "National Study of Employers," Society for Human Resource Management, 2016.